

Concurred in at meeting of 9/16/59

INTER-OFFICE COMMUNICATION

September 14, 1959

TO: Kane Simonian, Executive Director
AT:
FROM: Robert E. McGovern, Land Acquisition Consultant
AT:

ATTENTION:

SUBJECT: Re-Use Value of Land in the West End Project

I have reviewed the amended redevelopment plan to determine if the change of plan has resulted in an increased land value in the project area.

It is my opinion that the unit price for the various re-uses has not been affected appreciably under the new plan.

The problem, as I see it, revolves around these two questions: (1) changes in controls and regulations and (2) changes in the total land area proposed for residential and commercial re-use.

Any major relaxation of controls and regulations has an effect on the highest and best use of the land, and consequently, the value thereof. The net effect of the changes in controls and regulations affecting land coverage, set back and density requirements, floor area ratio and restrictions affecting parking and off-street loading facilities, is, in my opinion, relatively insignificant. The changes do, however, tend to increase the land value slightly.

The total area of the residential parcels as proposed under the new plan approximates the area designated under the original plan. The re-use value of the land on this account is not affected materially.

The total area proposed for commercial parcels is substantially the same as permitted under the original plan. Consequently, there is little change in the re-use value.

While the changes enumerated above indicate a higher re-use land value, the increase in tax rate since the time of our re-use appraisals in 1955 and 1957 (tax rate has climbed from \$69.80 in 1955 to \$86.00 in 1957 to \$101.20 in 1959) has, in my opinion, depressed the value of the land to a greater extent than the increases resulting from the change of plan.

Robert E. McGovern

Robert E. McGovern
Land Acquisition Consultant

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